



BLACK LION CAPITAL ADVISORS

June 17, 2025

Black Lion Capital Advisors
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The Honorable Judge Leonard P. Stark
United States District Court for the District of Delaware
c/o Robert B. Pincus, Special Master
U.S. District Court
844 North King Street, Unit 18
Wilmington, DE 19801-357

Re: **Crystallex Int'l Corp. v. Bolivarian Republic of Venezuela, No. 1:17-mc-00151-LPS**
Formal Irrevocable Bid Submission for CITGO Petroleum Corporation

Qualified Irrevocable Bid for Acquisition of CITGO Petroleum Corporation

Dear Judge Stark and Special Master Pincus:

We, the undersigned principals of Black Lion Capital Advisors, LLC [Consortium formally known as Black Lion Citgo Group, LLC] ("Black Lion"), submit this letter in our capacity as a direct bidder in the Court-supervised auction of CITGO Petroleum Corporation ("CITGO").

Acting on behalf of the **Black Lion Citgo Group, LLC**, a group of strategic partners with operational, financial, and legal expertise detailed below, we hereby confirm our intent to acquire **100% of the equity interests in CITGO Petroleum Corporation**, via the acquisition of PDV Holding, Inc., for \$8,000,000,000 USD, all cash.

This bid is submitted pursuant to the Sale Procedures Order and within the schedule established, with the topping period concluding on June 18, 2025. Our offer is binding and unconditional, subject only to: (i) procedural review by the Court; (ii) compliance with applicable regulatory requirements, including OFAC authorization where, and if required (iii) review of data room and confirmation of material assumptions through customary due diligence.

BID SUMMARY

- **Bidder:** Black Lion Citgo Group, LLC
- **Lead Investors:** Quazar Investment, Anex Management Ltd., Fortress Management, LLC
- **Offer Amount:** USD \$8,000,000,000 (Eight Billion U.S. Dollars), all cash
- **Offer Note:** Total combined consideration for all investors of up to \$12 billion USD, comprising (a) base purchase price of \$8 billion USD, plus (b) additional amounts as required for court fees, government fees, insulation funds up to \$3 billion USD, and other court-mandated costs.



- **Structure:** Full acquisition of 100% of the shares of PDV Holding, Inc., the indirect parent of CITGO Petroleum Corporation
- **Form of Payment:** Immediate funds availability from a combination of cash-capital contributions and institutional backing from Quazar Investments, Anex Management Ltd., and Fortress Management, Ltd. No financing contingency.
- **Escrow and Break-Up Fees:** Bidder agrees to comply with all procedural requirements, including escrow deposits, break-up fees, and protective indemnification structures as outlined in the Court's orders.
- **Regulatory Compliance:** Bidder acknowledges the requirement for OFAC licensing and will immediately pursue compliance upon acceptance of this bid.
- **Bid Validity:** This offer is binding and irrevocable through the full course of the auction process.

We hereby tender a binding bid in the amount of Eight Billion United States Dollars (USD \$8,000,000,000), to be paid in cash at closing, subject solely to the conditions outlined in the Court's procedural orders, requirements for qualified bidders, and conditions described herein above.

BID ACCEPTANCE

- Exceeds the current stalking-horse bid and all reported topping bids publicly known to date;
- Is backed by committed institutional funding, with documented capacity greatly exceeding \$12 billion, as evidenced by the enclosed letters of financial capability;
- Is backed by well-known parties in the industry with the operational and financial experience to execute and continue operations;
- Includes full acceptance of the terms and conditions of the sale process, including any required break-up fees, indemnification reserves, and escrowed deposits mandated by the Court;
- Is submitted with the intent to complete all legal, financial, and regulatory closing conditions in a timeline consistent with the Court's expectations.

Crucially, the \$8 billion cash consideration we propose stands in stark contrast to the currently designated *stalking-horse bid* of approximately \$3.7 billion (offered by an affiliate of Contrarian Funds). Our offer is more than double that baseline figure, and is not encumbered by any complex payment conditions or non-cash components. We believe this superior bid delivers a maximal recovery to all creditor stakeholders, directly furthering the Court's objective of obtaining the highest value for CITGO in this process. In sum, the Black Lion proposal provides the Court and the creditors with an attractive, *fully-funded* alternative that would yield a significantly higher payout than the existing stalking horse arrangement. We submit that this demonstrates the robustness of our bid and the seriousness with which our client approaches this opportunity.

IDENTITY OF BIDDING CONSORTIUM AND KEY PRINCIPALS

Black Lion has assembled a robust consortium of experienced partners to ensure both the financial strength of this bid and the operational expertise to manage CITGO post-acquisition. The key members of the Black Lion Consortium, and their qualifications, are as follows:

- **Ed German**, Principal in Jefferson Enterprises and previously with Jefferson Refinery. Mr. German is a petrochemical industry veteran with 40+ years of refining and operations experience. He has been integral to the management of large refining facilities (including roles analogous to CEO, plant manager and operations director) and is widely respected for his expertise in refinery

turnarounds, safety compliance, and optimization of production output. The Consortium has designated Mr. German as the intended Director of Operations of CITGO post-acquisition, to ensure a smooth operational transition. His leadership will help maintain continuity of CITGO's refining output and workforce stability from Day 1, reinforcing our commitment to operational excellence and reliability.

- **Alvarez & Marsal (“A&M”)** as its official advisory firm for this transaction, pursuant to A&M's proposal dated May 30, 2025. **Alvarez & Marsal** – a globally recognized turnaround, consulting, and due diligence firm – will lead the financial and legal due diligence efforts on behalf of Black Lion. A&M's team (including experts in energy sector M&A and restructuring) is prepared to immediately commence a comprehensive review of CITGO's financials, legal contracts, and operational status. They will also advise on post-acquisition integration and transition planning, working closely with Mr. German and the rest of the Consortium to ensure that ownership transfer, regulatory approvals, and ongoing business operations are executed seamlessly and in full compliance with U.S. laws and regulations. This engagement of A&M underscores the Consortium's serious and professional approach to due diligence and transition – we have *already put in place the advisors necessary* to hit the ground running once access to data is granted.
- **Black Lion Capital Advisors, LLC – Lead Bidder: Dairell “DJ” Snapp**, Founder and Senior Partner, is a seasoned real estate investor and developer with over 43 years of experience, including leadership of multi-billion-dollar commercial transactions. Since founding Black Lion in 2013, he has built a strong record in structuring complex acquisitions with discretion and institutional discipline. **Richard Zepeda**, Co-Founder and Managing Partner, brings over 40 years of leadership across the U.S., Mexico, and Latin America. Since 1978, he has overseen multigenerational family ventures in agriculture, ranching, real estate, banking, and trade. A founding member of the Arizona/Mexico Finance Commission, Mr. Zepeda also brings expertise in commodities trading and cross-border finance. Raised in Mexico and educated at the University of Arizona, he provides the Consortium with strategic regional access and geopolitical insight.
- **Fortress Asset Management – Funding Partner: Representative: Adam Clode**. Fortress Asset Management (no relation to Fortress Investment Group) is a private investment firm partnering to finance this acquisition. Mr. Clode is a seasoned commodities and natural resources investor with expertise in oil & gas pipelines, mining projects, and infrastructure finance. Under Mr. Clode's direction, Fortress Asset Management has committed substantial capital to the Consortium's bid, ensuring that the full \$8 billion purchase price is backed by available funds. Mr. Clode's track record in developing and operating large-scale energy and mining projects across multiple continents speaks to the financial solvency and industrial acumen behind our bid.
- **ANEX Group – Financial & Structuring Advisor: Representatives: Farhana Alimohamed** (Group CEO) and **Sandeep Doorgakant** (Director of Tax Advisory Services). ANEX Group is a respected international financial services and corporate advisory firm based in Mauritius, with extensive experience in complex cross-border transactions. Ms. Alimohamed has over a decade of experience in global business structuring and cross-border finance, while Mr. Doorgakant brings specialized expertise in tax structuring and compliance. Together, they will oversee transaction structuring, compliance, and tax-efficient planning for the acquisition. ANEX's involvement ensures that the bid is structured in a legally compliant manner and that post-acquisition corporate governance and tax matters are handled to the highest professional standards.
- **Spencer-Pruitt, Inc. – Strategic Partner: Representative: Hunter S. Gaylor**. Mr. Gaylor is the Founder of Spencer-Pruitt and former Director of Global Projects for a global leading jet corporation, where he managed complex international aviation and infrastructure projects. He

brings deep expertise in global project finance, particularly fuel and logistics, which will be invaluable in overseeing CITGO's expansive operations and international supply chains. Mr. Gaylor's background in aviation and energy-sector ventures positions Spencer-Pruitt as a key contributor in ensuring efficient operational oversight and innovative growth strategies for CITGO.


- **Autry J. Pruitt – Advisor:** Mr. Autry Pruitt is a distinguished political and strategic real-estate advisor, known for his tenure as a campaign surrogate to the 2016 Presidential campaign of Donald J. Trump. He adds political and regulatory insight to the Consortium, having extensive experience in public policy, communications, and stakeholder engagement. Mr. Pruitt's involvement will aid in navigating any geopolitical or sanctions-related considerations, and in fostering positive relationships with government and community stakeholders post-sale.


We respectfully request full access to the data room and auction protocols, and we confirm our intent to engage in good-faith negotiations with the Special Master and Court-appointed advisors to complete this transaction. We thank the Court and the Special Master for the opportunity to participate in this historic process. This bid represents a fully-backed, execution-ready offer that not only maximizes creditor recovery but ensures operational continuity, regulatory compliance, and responsible stewardship of a critical U.S. asset.

Should the Court or Special Master require any additional information or wish to discuss this proposal further, please do not hesitate to contact the undersigned. We are prepared to address any inquiries and to promptly submit any further documentation in support of our bid as the Court may request. Thank you for your attention to this matter.

Respectfully submitted,

BLACK LION CAPITAL ADVISORS

By: 
Dairell J. Snapp
Senior Partner
dsnapp@blacklion-capital.com

By: 
Richard Zepeda
Director
rzepeda@blacklion-capital.com

Copies To:

Quazar Investment, Sameer Salgar – Chief Financial Officer – Lead Investor
St. John Leech, Director – Anex Mangement Ltd. – Lead Investor
Adam Clode, Fortress Asset Management, LLC – Lead Investor
Hunter S. Gaylor, Founding Partner SpencerPruitt, Inc. – Organzing & Limited Investor
Autry J. Pruitt, Managing Partner SpencerPruitt, Inc. – Organizing & Limited Investor



June 10, 2025,
The Honorable Judge Leonard P. Stark
United States District Court for the District of Delaware
In Care Of: Robert B. Pincus, Special Master
U.S. District Court
844 North King St., Unit 18
Wilmington, DE 19801-357

RE: Case No. 1:17-MC-00151-LPS

Dear Judge Stark:

This letter serves as a non-binding expression of intent from our firm to join and collaborate with Black Lion Capital Advisors, LLC and its affiliates, including SpencerPruitt, Inc., in their efforts to acquire the shares and/or assets of CITGO Petroleum Corporation through the Court-supervised auction process referenced above.

Subject to the satisfactory completion of our internal and partner-led due diligence, we intend to contribute towards the capitalization required to facilitate a qualified bid in the amount of up to Twelve Billion U.S. Dollars (\$12,000,000,000). This potential financial commitment is contingent upon confirmation of material facts, legal and financial review, and other customary conditions precedent to a formal investment or acquisition transaction.

This letter is intended to support Black Lion Capital Advisors, LLC and its affiliates in satisfying the preliminary requirements set by the Court for access to due diligence materials, including data files and records, and for submission of a qualified bid in the Court-administered auction.

Please note that this letter is non-binding and does not constitute a legally enforceable obligation by our firm or its partners to invest or consummate any transaction. Any such commitment shall only be made pursuant to definitive agreements duly authorized and executed by all relevant parties.

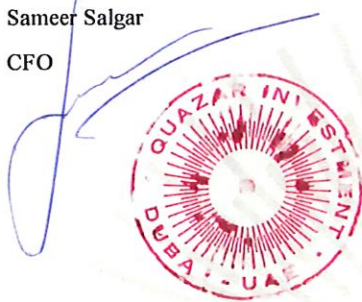
We respectfully submit this letter to inform the Court of our good-faith intention to participate meaningfully in this process and our preliminary indication of financial capacity to support the acquisition endeavor in collaboration with Black Lion Capital Advisors, LLC and SpencerPruitt, Inc. Should

the court have any questions or require anything further, please have the appropriate party contact Mr. Sameer Salgar (CFO) by email Sameer@quazarinvestment.com

Respectfully,

Sameer Salgar

CFO





Date: May 16, 2025

The Honorable Judge Leonard P. Stark
United States District Court for the District of Delaware
In Care of Robert B. Pincus, Special Master
US District Court 844 North King St.,
Unit 18 Wilmington, DE 19801-357

RE: Case # 1:17-MC-00151-LPS

The Honorable Judge Leonard P. Stark,

This letter is to formally notify the Court, regarding the above referenced case, that we are joining with Black Lion Capital Advisors, LLC and its partners and affiliates in their efforts to acquire the shares of CITGO through the Court's publicly noticed Auction process. Further, this letter is intended to inform the Court of our financial ability and financial capacity to provide Six-Billion Dollars (\$6,000,000,000), if necessary, towards this endeavor.

Black Lion Capital Advisors, LLC is authorized to provide this letter in conjunction with other similar letters, which are intended to be combined together to satisfy the Court's requirements to access the data files and records held by the Court and to be used for the Court to authorize Black Lion Capital Advisors, LLC to submit a bid in the Court's auction in this Case.

Should the court have any questions or require anything further, please have the appropriate party contact Adam Clode – Chief Investment Officer at Fortress Asset Management [+971 (0)50 360 6820] or by email at adam.clode@fortress-am.com.

Respectfully submitted,

Name: Adam Clode
Title: Chief Investment Officer
(License Number: 8733)

Copy:
Black Lion Capital Advisors, LLC